

Somerville

City Hall Annex
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Board Members

John M. Memory (Chairperson),
Edward F. Bean, Jr., Lawrence Murphy,
Mary A. Phinney, John E. Rourke

Board Administrator

Mary A. Phinney

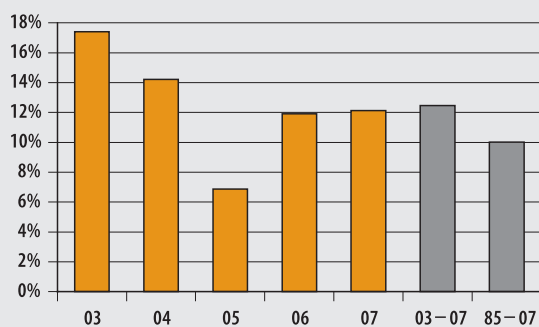
Board Meeting

Third Thursday of each month at 8:30 am

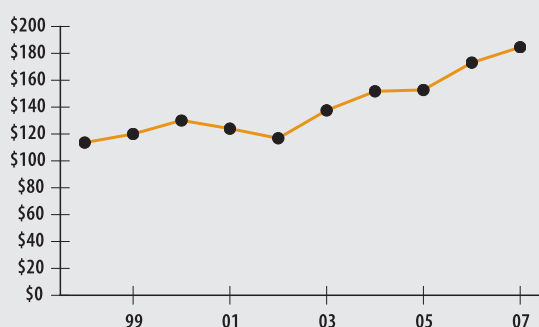
Funded Ratio (1987-2007)



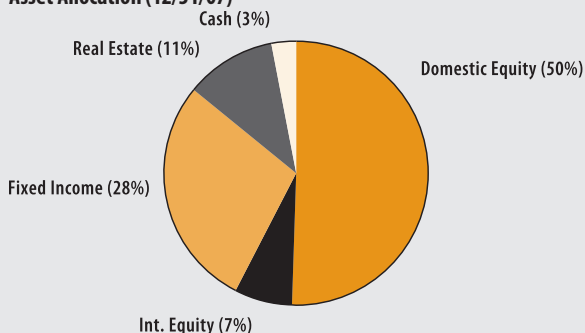
Investment Return (2003-2007, 5 Year and 23 Year Averages)



Asset Growth (1998-2007) (Market Value in Millions)



Asset Allocation (12/31/07)



ACTUARIAL

• Funded Ratio	62.9%
• Date of Last Valuation	01/07
• Actuary	Buck
• Assumed Rate of Return	8.25%
• Funding Schedule	4.0% Increasing
• Year Fully Funded	2022
• Unfunded Liability	\$98.9 M
• Total Pension Appropriation (Fiscal 2008)	\$11.8 M

	Active	Retired
• Number of Members	1,019	872
• Total Payroll/Benefit	\$48.8 M	\$16.1 M
• Average Salary/Benefit	\$47,900	\$18,500
• Average Age	NA	73
• Average Service	NA	NA

INVESTMENT

Domestic Equity

- Congress Asset Management
- RhumbLine S&P 500 Pooled Index Fund
- RhumbLine S&P Small Cap Pooled Index Fund

International Equity

- Lazard Emerging Markets Equity Portfolio
- Lazard Freres International Equity Fund

Domestic Fixed Income

- Cypress Asset Management
- Loomis Sayles Fixed Income Fund

Real Estate

- BlackRock Apartment Value Fund III, L.P.
- UBS (US) Trumbull Property Fund LP

Alternative Investments

- Crescent Gate Partners, LLC

Custodian

- State Street

► 2007 Return	12.14%
► 2007 Target	8.25%
► 2007 Market Value	\$184.5 M
► 2003-2007 (Annualized)	12.46%
► 1985-2007 (Annualized)	10.03%